GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Mines and Minerals – Re-introduction of Slab system on voluntary basis - Certain Amendments to the Minor Mineral Concession Rules, 1966 – Orders – Issued.

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INDUSTRIES AND COMMERCE (M.III) DEPARTMENT

G.O.Ms.No.71 Dated:01.10.2022

Read the following;

1. G.O.Ms.No.1172, Industries (B-1) Department, Dt.04.09.1967.
2. G.O.Ms.No.82, Ind. & Com (M.I) Dept., dt:01.03.2009.
3. G.O.Ms.No.104, Ind. & Com (M.I) Dept., dt:15.05.2009.
4. G.O.Ms.No.134, Ind. & Com (M.II) Dept., dt:01.10.2012.
5. G.O.Ms.No.97, Ind. & Com (M.III) Dept., dt:06.07.2016.
6. From the Government Pleader vide Letter No.Even, Legal Opinion/2020/M&G HC dt.13.03.2020.
7. G.O.Ms.No.58, Industries & Commerce(M-III) Dept., dt.23.08.2022.
8. From the DM&G, GoAP, Lr.No.7836/P/2014, Dt:23.09.2022.

ORDER:

In the G.O 7th read above, orders were issued Re-introducing Slab System for collection of Seigniorage Fee on the granite blocks consumed at processing plants from the Stone Cutting and Polishing Industry on voluntary basis with the rates and conditions as specified therein, subject to outcome of the pending cases in the Hon'ble High Court and the Director of Mines and Geology, AP., was also instructed to submit necessary amendment proposals of APMMC Rules, 1966.

2. Accordingly, the DM&G AP., has submitted necessary amendment proposals vide letter 8th read above.

3. The Government, after careful examination of the matter,have decided to make the following amendments to Rules 10, 26 & 34 of Andhra Pradesh Minor Mineral Concession Rules, 1966.

4. Accordingly, the following notification will be published in an extra Ordinary issue of the Andhra Pradesh Gazette, Dated:01.10.2022.

NOTIFICATION

In exercise of the powers conferred by sub-section (1) of section 15 of the Mines and Minerals (Regulation and Development) Act, 1957 (Act No.67 of 1957), as amended from time to time, the Governor of Andhra Pradesh hereby makes the following amendments to the Andhra Pradesh Minor Mineral Concession Rules, 1966 issued in G.O.Ms.No.1172, Industries (B-1) Department, dated the 4th September, 1967 as subsequently amended.

P.T.O.

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AMENDMENTS

In the said rules,-

1. in rule 10,

(I) for sub-rule (5), the following shall be substituted, namely;

(5) (i) In respect of Granite slabs used for cutting and polishing covered under Item No.21 of Minor Mineral Schedule, in order to facilitate easy accountability for the purpose of levy of Seigniorage Fee, Consideration amount, DMF & MERIT, the machinery as specified in Schedule III shall be taken as unit and Seigniorage Fee, Consideration amount including DMF & MERIT shall be collected at that point by following the rates prescribed in Schedule III of these rules. However, this provision is not applicable in respect of gangsaw machines.

(ii) Where Seigniorage Fee is paid under Schedule III by those who are possessing cutting and polishing industry for the material procured by them from the Quarry Leases granted under rule 5, such leaseholders need not Pay Seigniorage Fee, Consideration amount, DMF & MERIT for the quantity covered under Transit Forms by the said cutting and polishing units.

(iii) The Seigniorage fee under Schedule III, if not paid before 25th of the preceding month shall be liable for payment of interest as under rule 19 of the Andhra Pradesh Minor Mineral Concession Rules, 1966 with effect from 1st of succeeding month.On such payment, Assistant Director of Mines and Geology shall issue transit forms to the extent of Slab amount paid.

(iv) Granite slabs procured by paying Seigniorage Fee through Slab System should not be sold or transported without processing at the Cutting and Polishing units.

(v) Cutting and Polishing Unit holders are allowed to join the slab system, only if all the Mineral Revenue Dues to the Government are cleared.

(vi) Once the Cutting and Polishing Unit Holder registers to pay the Seigniorage Fee through slab system, the unit holder cannot exit the system before the minimum prescribed tenure of one year. However, if the Cutting and Polishing Unit Holder opts to exit the slab system, unit holder should intimate the Department through Assistant Director of Mines & Geology before 45 days.

(vii) However, under any circumstances, the minimum payments shall be at least for one month at a time.

(viii) The Raw Granite (below 270cmx150cm size) Blocks Procured by payment of Seigniorage Fee through slab system shall be transported by the leaseholder to MDL Holder within the end of the month. If the leaseholder failed to transport the granite blocks by the end of the month, leaseholder shall be liable to pay the Seigniorage Fee, Consideration amount including DMF and MERIT again.

(II) After Schedule II, the following shall be inserted, namely;

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SCHEDULE – III

Those who possess stone cutting polishing industries, the computation of Seigniorage Fee, Consideration amount, DMF, MERIT in respect of raw material consumed in their industries is as per the following:

Sl.No.	Item	Slab Rate in lieu of SeigniorageFee, Consideration Amount, DMF, MERIT payable for raw material Procured	Ceiling Limit
a	Block Cutter with Single Blade involved in cutting Granite Blocks below 270 cm x 150 cm size in Prakasam District (as on 31.03.2022)	Rs.27,000/- per month per blade	I) 22 Cu.M per month of raw granite blocks from the quarry per each slice cutting machine per blade II) In respect of Granite Slabs exceeding ceiling limit,Seigniorage Fee and Consideration amount including DMF and MERIT is payable by computing @Rs. 60/- per Sq.M taking average yield per each Cu.M as 33 Sq. M
b	Block Cutter with Multi Blade involved in cutting Granite Blocks below 270 cm x 150 cm size in Prakasam District (as on 31.03.2022)	Rs. 54,000/- per month per blade	
c	Block Cutter with Single Blade involved in cutting Granite Blocks below 270 cm x 150 cm size in districts other than Prakasam District (as on 31.03.2022)	Rs. 22,000/- per month per Blade	

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d	Block Cutter with Multi Blade involved in cutting Granite Blocks below 270 cm x 150 cm size in districts other than Prakasam District (as on 31.03.2022)	Rs. 44,000/- per month per blade	
e	Cutter machine to cut up to [75 cm x 35 cm x 35 cm] size granite blocks	Rs. 7000/- per each cutter blade per month	I)120 Blocks per month of 75 cm x 35 cm x 35 cmper each slice cutting machine per blade.

2. In Rule 26, after sub rule (4), the following shall be added, namely;

(5) whoever contravenes the provisions under sub-rule (5) of Rule 10, the Assistant Director of Mines and Geology or any Officer nominated in this behalf by the Director of Mines and Geology shall raise a demand as specified in the Schedule III with [five times] penalty. In the event of default of payment of penalty within a period of one month an officer not below the rank of Assistant Director of Mines and Geology or any officer authorized by the Director of Mines and Geology shall be competent to seize the unit from its operation by duly recording panchanama. On such seizure it is the responsibility of the industry concerned to safeguard its machinery by keeping a watch and ward and department will not take any responsibility for the machinery and any other equipment present in industry or damage to the civil structures.

3. In rule 34,

After sub rule (3), the following shall be added, namely;

(4) Those who are covering under Rule 10(5) shall obtain dispatch permits from the Assistant Director of Mines and Geology concerned in Form- L1 duly filing application in the online portal provided for procuring material from the lease hold source by duly paying the slab rate under Schedule III of these rules in lieu of Seigniorage Fee and Consideration amount including DMF, MERIT. However, they shall invariably procure the raw material from the authorized licenses/ lessees concerned for respective mineral under the provision of the Andhra Pradesh Minor Mineral Concession Rules, 1966. In case they resort for unauthorized quarrying they are liable for action under Rule 26 of these rules.

4. In the forms appended to these rules;

(i) in Form L SL.No.3 and 6A shall be omitted
(ii) after Form L, the following Forms shall be inserted, namely;

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FORM – L1(A)
For MDLs of erstwhile Prakasam District (As on 31.03.2022) under slab system
Permit for dispatch of Minor Mineral
Under Rule 34(3)

Permit No. ..... **Dated:** .....

Permit is hereby granted to dispatch ..... Cubic meters of ..... from any authorized quarry lease granted under the provisions of the Andhra Pradesh Minor Mineral Concessions Rules 1966 in consideration of payment of sum of Rs. ..... being the seigniorage fee on the said quantity on slab system subject to the following conditions:

1. The permit is valid for ..... from ..... and shall expire on .....
2. The permit is not transferable
3. Holder of the permit shall allow the executive staff and the officers of the Department of Mines and Geology to inspect, check and measure the minor minerals in all stages of movement
4. The Department has the right to claim amounts by way of difference of seigniorage fee based on the scrutiny of the sale documents and the check measurements, provided the excess quantity is not beyond 10% of the quantity mentioned in the documents. The excess quantity beyond 10% is liable for penalization under Rule 34 (2).
5. Failure to comply with any of the above conditions shall entitle withdrawal of the permit and cancellation of the same.

Encl : Transit forms from SI No. ..... to ..... to procure the raw material under this permit

Issuing Authority

FORM – L1(B)
For MDLs of other than erstwhile Prakasam District
(As on 31.03.2022) under slab system
Permit for dispatch of Minor Mineral
Under Rule 34(3)

Permit No. ..... **Dated:** .....

Permit is hereby granted to dispatch ..... Cubic meters of ..... from any authorized quarry lease (except Galaxy Granite quarry leases), granted under the provisions of the Andhra Pradesh Minor Mineral Concessions Rules 1966 in consideration of payment of sum of Rs. ..... being the seigniorage fee on the said quantity on slab system subject to the following conditions:

1. The permit is valid for ..... from ..... and shall expire on .....
2. The permit is not transferable
3. Holder of the permit shall allow the executive staff and the officers of the Department of Mines and Geology to inspect, check and measure the minor minerals in all stages of movement
4. The Department has the right to claim amounts by way of difference of seigniorage fee based on the scrutiny of the sale documents and the check measurements, provided the excess quantity is not beyond 10% of the quantity mentioned in the documents. The excess quantity beyond 10% is liable for penalization under Rule 34 (2).

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5. Failure to comply with any of the above conditions shall entitle withdrawal of the permit and cancellation of the same.

Encl : Transit forms from
SI No. ..... to ..... to procure
the raw material under this permit

Issuing Authority

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT(MINES)

To
The Commissioner of Printing, Stationery & Stores Purchases (Printing Wing) Andhra Pradesh, Vijayawada. (with a request to publish the above notification and arrange to send 100 copies of the same to the Government in Industries & Commerce (M.III) Department and 50 copies to the Director of Mines & Geology, A.P., Ibrahimpatnam, Vijayawada).
The Director of Mines & Geology, Andhra Pradesh, Ibrahimpatnam.
The Chief Executive Officer, MERIC, Vijayawada.
Allthe Joint Director/Deputy Director/ Asst. Director of Mines & Geology(through the Director of Mines & Geology, Ibrahimpatnam.
Copy to:
The Secy to Govt, Ministry of Mines, Govt.of India, Shastry Bhawan, New Delhi.
The Law Department.
The Finance Department.
The O.S.D to Minister for Mines & Geology.
The PS to Prl. Secretary to Government (Mines).
SF/SC(C.No.1817163).

// FORWARED :: BY ORDER //

SECTION OFFICER

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